LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6192 NOTE PREPARED: Apr 14, 2009
BILL NUMBER: SB 89 BILL AMENDED: Apr 13, 2009

SUBJECT: Health Matters.

FIRST AUTHOR: Sen. Miller BILL STATUS: 2nd Reading - 2nd House

FIRST SPONSOR: Rep. Cheatham

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\begin{array}{cc} \underline{X} & DEDICATED \\ \underline{X} & FEDERAL \end{array}$

<u>Summary of Legislation:</u> (Amended) This bill establishes the Breast and Cervical Cancer Screening Services Program and establishes eligibility in and reimbursement for the program. The bill appropriates money from the Indiana Check-up Plan Trust Fund for specified payments under the program.

The bill requires specified health care professionals to orally inform a pregnant woman before an abortion is performed that the fetus might feel pain.

The bill also requires a health care provider licensed by the state who performs a surgical procedure to: (1) have admitting privileges at a hospital in the county or in a county adjacent to the county where the surgical procedure is performed; and (2) notify the patient of the hospital location where the patient can receive follow-up care by the health care provider.

Effective Date: July 1, 2009.

Explanation of State Expenditures: (Revised) The provision requiring licensed healthcare providers to have hospital admitting privileges in the county or adjacent county to the location in which a surgical procedure is performed would have an unknown fiscal impact. This provision would require individuals in licensed healthcare professions that include surgical procedures in the scope of practice to obtain hospital admitting privileges. Dentists are excluded from this requirement. The requirement would apply to a wide range of healthcare professions such as podiatry, optometry, physical therapy, and advanced practice nurses as well as others. Licensed healthcare professionals would have to limit their scope of practice to exclude surgical procedures if hospital admitting privileges could not be obtained. This would in turn require patients to have services provided by physicians that may otherwise be routinely performed by nonphysician

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healthcare providers. The provision would affect the cost of health care for state employees and the cost within state-administered health care programs for disabled and low-income individuals.

The bill would establish the Breast and Cervical Cancer Screening Services Program to be operated by the Office of the Secretary of the Family and Social Services Administration. Any women over the age of 35 years with no third-party coverage for breast and cervical cancer screening services would be eligible to receive services under the program. Services are required to be paid at Medicare reimbursement rates and would be provided at 100% state cost. U.S. Census reports for 2005, indicate there were approximately 164,000 uninsured women between the ages of 40 and 64 years in Indiana. If the average cost of screening services is \$350 every two years, the cost of this program is estimated to be at least \$28.7 M. This estimate does not include administrative expenses. The program would not cover treatment costs.

The bill provides an open-ended appropriation from the Indiana Check-Up Plan Trust Fund to fund the screening services. This fund is currently the source of state matching dollars for the Healthy Indiana Plan (HIP). A decrease in the funding available for the 5-year term of the HIP Medicaid demonstration waiver would reduce the numbers of individuals that could receive coverage under the HIP. It would also reduce the amount of federal funding leveraged within the Medicaid waiver for HIP.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) See *Explanation of State Expenditures* as it would apply to healthcare expenditures for employees of local governmental units.

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration.

Local Agencies Affected:

Information Sources:

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